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## OFFICE OF THE ALBANY CITY TREASURER

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**DATE:** May 29, 2014

**TO:** Hon. Kathy M. Sheehan  
Members of the Common Council

**FROM:** Hon. Darius Shahinfar

**CC:** Ismat Alam

**RE:** 4th quarter 2013 Performance

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The following is a summary of the unaudited results for the 4rd Quarter 2013.

Revenue in the fourth quarter of 2013 totaled \$170 million and was at 98% of budget. This was an increase of 1% (\$2.5 million) compared to the same period last year. Expenses totaled \$171 million and ended the year at 96% of budget, which was an increase of 3% (\$4.3 million) compared to 2012. This resulted in a decrease to the fund balance of \$801,000.

### REVENUE (Thousands)

	Dec	Dec		%	Dec	Annual		%
REVENUE	YTD 13	YTD 12	Variance		YTD 13	Budget	Variance	Budget
PROPERTY TAX	54,889	54,697	192	0%	54,889	55,148	(259)	100%
SALES/USE TAX	30,973	30,640	333	1%	30,973	32,095	(1,122)	97%
PILOTS/19-a	26,440	27,191	(751)	-3%	26,440	26,032	408	102%
OTHER LOCAL SOURCES	3,317	3,357	(40)	-1%	3,317	3,705	(388)	90%
LANDFILL	11,206	10,863	343	3%	11,206	9,793	1,413	114%
OTHER DEPARTMENTS	2,907	2,782	125	4%	2,907	2,778	129	105%
INTER GOVERNMENT	174	366	(192)	-52%	174	145	29	120%
FINES	5,074	4,816	258	5%	5,074	5,225	(151)	97%
LICENSES AND PERMITS	2,192	2,596	(404)	-16%	2,192	2,385	(193)	92%
STATE AID	23,853	22,228	1,625	7%	23,853	24,395	(542)	98%
SALE P/COMP/LOSS	515	385	130	34%	515	257	258	200%
MISCELLANEOUS	4,824	4,329	495	11%	4,824	4,767	57	101%
OTHER	2,168	3,266	(1,098)	-34%	2,168	5,057	(2,889)	43%
<b>DEBT RESERVE</b>	<b>1,900</b>	<b>400</b>	<b>1,500</b>	<b>375%</b>	<b>1,900</b>	<b>1,900</b>	<b>0</b>	<b>100%</b>
<b>TOTAL REVENUE</b>	<b>170,432</b>	<b>167,916</b>	<b>2,516</b>	<b>1%</b>	<b>170,432</b>	<b>173,682</b>	<b>(3,250)</b>	<b>98%</b>

The chart above summarizes the City's sources of revenue through December 31, 2013.

1. **Property Tax revenue** was slightly higher than 2012, but it was under budget by \$259,000 as a result of assessment reductions.
2. **Sales Tax revenue** for the fourth quarter was \$333,000 higher than the same period last year, but ended the year at 97% of budget which was (\$1.122 million) below budget.
3. **PILOTS/19-a revenue** was 3% lower than the same period last year while ending the year at 102% or \$408,000 over budget.
4. **Other Local sources revenue** was 1% lower than the same period last year and ended 2013 at 90% of budget or \$388,000 under budget.
5. **Landfill revenue** increased 3% compared to 2012 and was at 114% of budget. The City received increases for contaminated soil of \$79,000, methane gas \$199,247 and coupon sales \$92,000.
6. **Other Departmental revenue** was 4% higher than the same period last year and ended 2013 at 104% of budget. Safety inspection fees, rental registries, EMS ambulatory fees and towing fees increased while golf course revenue decreased.
7. **Fines and Forfeitures revenue** increased by 5% or \$258,000 from 2012 but ended the year at 97% of budget. Parking ticket fines, traffic/police court fines and parking ticket surcharges increased compared to last year.
8. **Licenses and Permits revenue** decreased 16% (\$404,000) compared to the same period last year. Electrical and plumbing permit revenue decreased by \$346,000 from last year.
9. **State aid** was 7% (\$1.6 million) higher in the fourth quarter compared to 2012 but ended the year at 98% or (\$542,000) below budget. Most of the revenue in this category is received from state grants. Some of these grants start later than planned and carry over into the next year.
10. **Miscellaneous revenue** was 11% (\$495,000) higher than the same period last year primarily as a result of an increase in delinquent debris and demolition charges levied onto 2013 property tax bills.
11. **Other revenue** decreased 34% (\$1.098 million) compared to the same period last year. Most of this revenue is received from federal government grants and the timing of these payments varies from one year to the next. In 2013 some of these grants provided funds for COPS hiring and a fire boat.

## DISBURSEMENTS

Category/Account	Dec	Dec		%	Annual		%
	YTD 13	YTD 12	Variance		Budget	Variance	Budget
Personal Benefits 7100-7199	75,795,651	76,775,902	(980,251)	-1.3%	76,569,700	(774,049)	99%
Fringe Benefits 7801-7863	51,507,288	48,693,948	2,813,341	5.8%	51,226,891	280,397	101%
Non-Personal Service 7210-7	42,029,873	41,100,957	928,916	2.3%	48,744,665	(6,714,791)	86%
Use of Debt Reserve	1,900,000	400,000	1,500,000	375.0%	1,900,000	0	100%
Total	171,232,813	166,970,806	4,262,006	2.6%	178,441,256	(7,208,443)	96%
Number of weeks in period	52	52	0		52		100%

**Total disbursements increased by 2.6% compared to the same period last year to \$171 million.** Spending was up in fringe benefits \$2.8 million and non-personal services \$929,000 while personal benefits decreased \$980,000 compared to 2012.

- Salary expense decreased by 1.3%** compared to the same period last year. Almost all departments showed a decrease in this category. The majority of the decrease was in the Police and Fire Departments as result of receiving retro pay increases in 2012.
- Benefits Expenses increased by 5.8% for 2013.** Pension expenses were up 21% a \$3.0 million increase compared to 2012. Retiree health insurance was 109% of budget (\$1,454,000) higher than last year. Most departments came in under budget in social security and employee health insurance expense to budget.
- Non-Personal Service spending increased by \$929,000 or 2.3%** compared to last year but ended the year at 86% (\$6.7 million) under budget. When you include the use of debt reserve, spending increased to \$2.4 million or 5.9% higher than last year while ending the year at 87% (\$4.8 million) under budget. This category includes utilities, contracted services, supplies, materials, small equipment, consulting fees and debt service. Almost all departments came in under budget in this category. Most of the increase from last year was a result of an increase in debt service payments related to an aggressive pay down of landfill debt. The reason for the short amortization of the landfill debt is to pay it off by the

time the landfill no longer provides revenue to the city. A total of \$1,900,000 of debt reserve was used to offset the debt expense on the general fund in 2013.

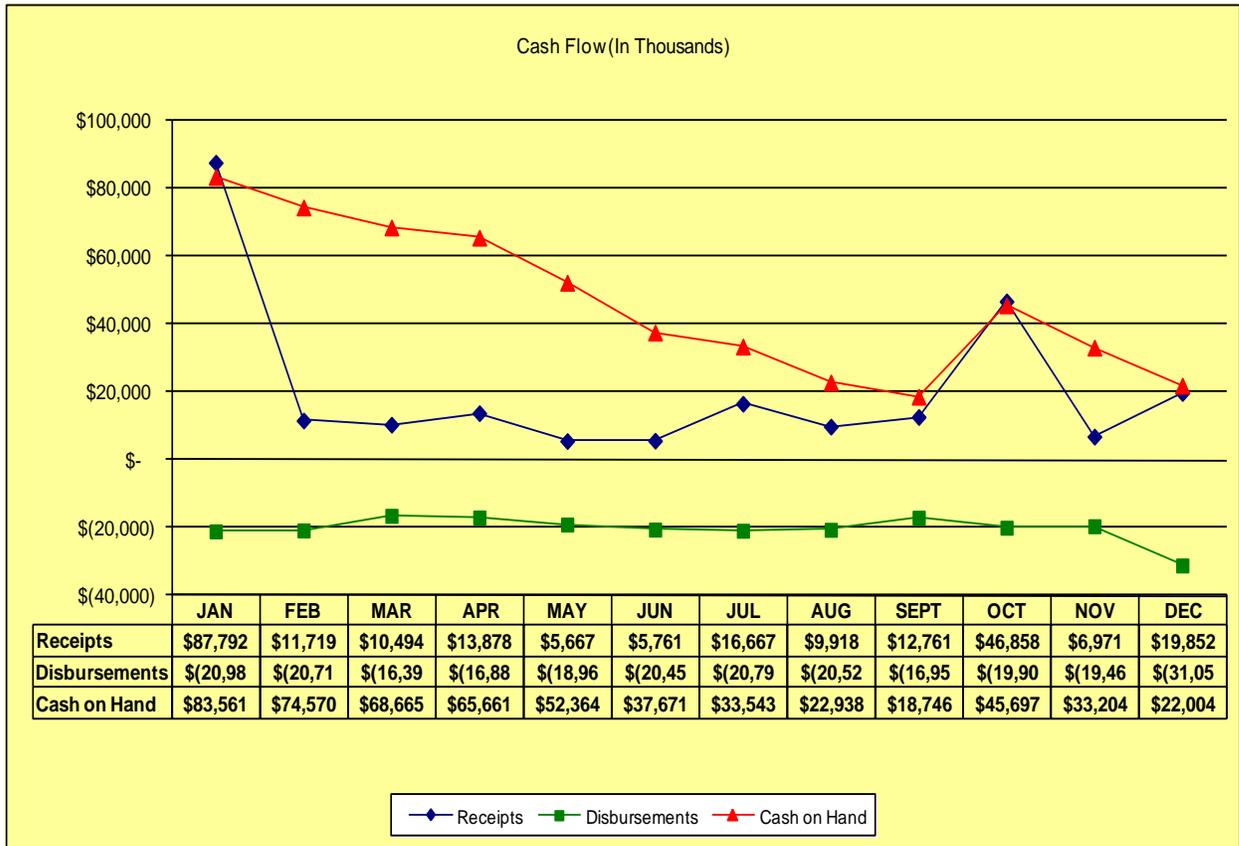
## OVERTIME

Department	2013	2012	Change	%	2013	Budget	% of Budget
Police (non-reimbursable)	4,376,035	4,741,032	(364,997)	-8%	4,376,035	4,037,000	108%
Fire	1,639,173	1,754,227	(115,054)	-7%	1,639,173	1,750,640	94%
Communications	215,231	198,088	17,143	9%	215,231	162,000	133%
Parks Maintenance	269,685	198,481	71,204	36%	269,685	269,685	100%
Waste Collection	211,328	161,185	50,143	31%	211,328	230,000	92%
Landfill	177,479	140,594	36,885	26%	177,479	177,479	100%
Central Maint.	81,920	73,601	8,319	11%	81,920	100,000	82%
Street Maintenance	166,357	124,140	42,217	34%	166,357	166,356	100%
Street Cleaning	150,586	91,241	59,345	65%	150,586	160,000	94%
Recreation	54,011	52,991	1,020	2%	54,011	38,000	142%
Traffic Engineering	25,122	21,844	3,278	15%	25,122	25,000	100%
Capital Hills	26,589	29,206	(2,617)	-9%	26,589	28,000	95%
Central Garage	39,711	30,201	9,510	31%	39,711	39,712	100%
Bleeker Stadium	1,966	1,479	487	33%	1,966	1,200	164%
Buildings	45,173	26,497	18,676	70%	45,173	34,000	133%
Control of Animals	8,955	8,439	516	6%	8,955	10,000	90%
Special Events	16,873	21,420	(4,547)	-21%	16,873	25,000	67%
<b>General Fund</b>	<b>7,506,194</b>	<b>7,674,666</b>	<b>(168,472)</b>	<b>-2%</b>	<b>7,506,194</b>	<b>7,254,072</b>	<b>103%</b>
Police (reimbursable)	1,046,085	1,234,948	(188,863)	-15%	1,046,085	950,000	110%
Traffic Eng. (reimbursable)	764	1,511	(747)	-49%	764	0	100%
Water	670,158	602,623	67,535	11%	670,158	676,491	99%
<b>Totals</b>	<b>9,223,201</b>	<b>9,513,748</b>	<b>(290,547)</b>	<b>-3%</b>	<b>9,223,201</b>	<b>8,880,563</b>	<b>104%</b>

**General Fund overtime was at 103% of budget at the end of 2013.** Excluding the Water Department (for which the City is reimbursed) and reimbursable Police overtime, overtime expense was 2% (\$168,000) lower than the same period last year.

The Building and Codes departments had the biggest increase in overtime expense percentage wise at 70% (\$18,676) over last year and was at 133% of budget, while Parks Maintenance had the biggest increase dollar wise and was 36% (\$71,204) higher compared to 2012. Police overtime was lower by 8% (\$365,000) but ended the year at 108% of budget compared to last year. Almost all departments have higher overtime expenses this year than last year with a few exceptions.

## CASH



**The City's cash position was 6% or \$1.2 million higher than last year. Most the increase is the result the City receiving the corporate taxes portion of the property taxes directly instead of the County of Albany.**

## CONCLUSION

The City ended 2013 with revenue at 98% of budget and expenses totaled only 96% of budget. This resulted in approximately an \$800,000 loss of fund balance compared to the anticipated loss of \$4.3 million. The larger than expected ending fund balance will help the City better manage with the loss of \$7.8 million in 19-a revenue in 2014.